

# SENATE, No. 3514

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 9, 2021

**Sponsored by:**

**Senator ROBERT W. SINGER**

**District 30 (Monmouth and Ocean)**

**SYNOPSIS**

Provides gross income tax credits to taxpayers who purchase certain low-speed electric bicycles.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT providing gross income tax credits to taxpayers who  
2 purchase certain low-speed electric bicycles and supplementing  
3 Title 54A of the New Jersey Statutes.

4  
5 BE IT ENACTED by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. a. A taxpayer shall be allowed a credit against the tax  
9 otherwise due for the taxable year under the "New Jersey Gross  
10 Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal to 30  
11 percent of the qualified electric bicycle purchase expenses incurred  
12 by the taxpayer during the taxable year, except that the credit shall  
13 not exceed \$1,500.

14 b. The order of priority of the application of the credit allowed  
15 pursuant to this section, and any other credits allowed against the  
16 tax imposed pursuant to N.J.S.54A:1-1 et seq., shall be as  
17 prescribed by the director. The amount of the credit, together with  
18 any other credits allowed by law, shall not reduce the taxpayer's  
19 liability otherwise due for the taxable year under N.J.S.54A:1-1 et  
20 seq. to an amount less than zero.

21 c. Notwithstanding any provision of the "Administrative  
22 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the  
23 contrary, the director may adopt, immediately upon filing with the  
24 Office of Administrative Law and no later than the 90th day after  
25 the effective date of this act, such rules and regulations as the  
26 director deems necessary to implement the provisions of this  
27 section, which regulations shall be effective for a period not to  
28 exceed 18 months. The regulations shall thereafter be amended,  
29 adopted, or readopted by the director in accordance with the  
30 provisions of P.L.1968, c.410 (C.52:14B-1 et seq.).

31 d. As used in this section:

32 "Low-speed electric bicycle" means the same as that term is  
33 defined in R.S.39:1-1.

34 "Qualified electric bicycle purchase expense" means an amount  
35 incurred for the purchase of a low-speed electric bicycle, provided  
36 that the low-speed electric bicycle shall not be used in the conduct  
37 of business, and the receipt from the purchase of the low-speed  
38 electric bicycle shall not exceed \$8,000.

39  
40 2. This act shall take effect immediately and apply to taxable  
41 years beginning on or after the date of enactment.

42  
43

44 STATEMENT

45

46 This bill provides gross income tax credits to taxpayers who  
47 purchase certain low-speed electric bicycles.

1       Under the bill, the amount of the credit would equal 30 percent  
2       of the costs incurred by a taxpayer for the purchase of a qualifying  
3       low-speed electric bicycle, up to a maximum credit of \$1,500 for  
4       the taxable year. In addition, the amount of the credit, together with  
5       any other tax credits allowed by law, may not reduce the taxpayer's  
6       gross income tax liability to an amount less than zero. To qualify  
7       for the credit, the taxpayer may not use the low-speed electric  
8       bicycle for business purposes, and the bicycle may cost no more  
9       than \$8,000 to purchase.

10       The bill defines "low-speed electric bicycle" to mean a two or  
11       three-wheeled vehicle with fully operable pedals, an electric motor  
12       of less than 750 watts, and that meets the requirements of a "class 1  
13       low-speed electric bicycle" (i.e., a low-speed electric bicycle  
14       equipped with a motor that provides assistance only when the rider  
15       is pedaling, and that ceases to provide assistance when the bicycle  
16       reaches the speed of 20 miles per hour) or a "class 2 low-speed  
17       electric bicycle" (i.e., a low-speed electric bicycle equipped with a  
18       motor that may be used exclusively to propel the bicycle, and that is  
19       not capable of providing assistance when the bicycle reaches the  
20       speed of 20 miles per hour).